December 14, 2005

Reference No. C200501766

Stephen L. Jenkins California State Lands Commission 100 Howe Avenue, Suite 100-South Sacramento, CA 95825

Subject: PG&E Pipeline 57C Reliability Project (Project)

Dear Mr.Jenkins,

The entire San Joaquin Valley Air Basin is designated non-attainment for ozone and fine particulate matter (PM10 and PM2.5). The development of the Project has the potential to contribute to a temporary decline in air quality due to initial construction (i.e., excavating operations and traffic delays during pipeline installation activities). A concerted effort should be made to reduce project-related emissions as outlined below:

Based on the information provided, the proposed project will be subject to the following District rules. The following items are rules that have been adopted by the District to reduce emissions throughout the San Joaquin Valley, and are required. This project may be subject to additional District Rules. To identify additional rules or regulations that apply to this project, or for further information, the applicant is strongly encouraged to contact the District's Small Business Assistance Office at (209) 557-6446. Current District rules can be found at http://www.valleyair.org/rules/1ruleslist.htm.

<u>Regulation VIII</u> (Fugitive PM10 Prohibitions)- Regulation VIII (Rules 8011-8081) is a series of rules designed to reduce PM10 emissions (predominantly dust/dirt) generated by human activity, including construction and demolition activities, road construction, bulk materials storage, paved and unpaved roads, carryout and trackout, etc. Also, the District's compliance assistance bulletin for construction sites can be found at: http://www.valleyair.org/busind/comply/PM10/Reg%20VIII%20CAB.pdf.

For Non-Residential Sites:

If a non-residential project is 5.0 or more acres in area or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days, a Dust Control Plan must be submitted as specified in Section 6.3.1 of Rule 8021.

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If a non-residential site is 1.0 to less than 5.0 acres, an owner/operator must provide written notification to the District at least 48 hours prior to his/her intent to begin any earthmoving activities (see section 6.4.2). A template of the District's Dust Control Plan is available at: http://www.valleyair.org/busind/comply/PM10/forms/DCP-Form%20-%2010-14-2004.pdf

1-2 (con't.)

Rule 4002 (National Emission Standards for Hazardous Air Pollutants) In the event that any portion of an existing building will be renovated, partially demolished or removed, the project will be subject to District Rule 4002. Prior to any demolition activity, an asbestos survey of existing structures on the project site may be required to identify the presence of any asbestos containing building material (ACBM). Any identified ACBM having the potential for disturbance must be removed by a certified asbestos-contractor in accordance with CAL-OSHA requirements. If you have any questions concerning asbestos related requirements, please contact Ms. Jan Sudomier at (209) 557-6422 or contact CAL-OSHA at (559) 454-1295. The District's Asbestos Requirements Bulletin can be found http://valleyair.org/busind/comply/asbestosbultn.htm

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<u>Rule 3135</u> (Dust Control Plan Fee) This rule requires the applicant to submit a fee in addition to a Dust Control Plan. The purpose of this fee is to recover the District's cost for reviewing these plans and conducting compliance inspections. More information on the fee is available at: http://www.valleyair.org/rules/currntrules/Rule%203135%201005.pdf.

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<u>Rule 4101</u> (Visible Emissions) This rule prohibits emissions of visible air contaminants to the atmosphere and applies to any source operation that emits or may emit air contaminants. The applicant is must contact the District's Small Business Assistance Office at (209) 557-6446 to receive additional information/instructions.

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<u>Rule 4102</u> (Nuisance) applies to any source operation that emits or may emit air contaminants or other materials. In the event that the project or construction of the project creates a public nuisance, it could be in violation and be subject to District enforcement action.

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Rule 4103 (Open Burning) This rule regulates the use of open burning and specifies the types of materials that may be open burned. Agricultural material shall not be burned when the land use is converting from agriculture to non-agricultural purposes (e.g., commercial, industrial, institutional, or residential uses). Section 5.1 of this rule prohibits the burning of trees and other vegetative (non-agricultural) material whenever the land is being developed for non-agricultural purposes. In the event that the project applicant burned or burns agricultural material, it would be in violation of Rule 4103 and be subject to District enforcement action.

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The consultation notice indicates that agriculturally productive lands will be temporarily impacted. It does not state how what type of crops would be removed. If either or both orchard and vineyards will be removed, the following conditions apply to their removal:

- Open burning would be prohibited on this project site, per Rule 4103.
- All chemically treated wood (i.e. stakes and end posts) from the vineyard must be removed and disposed of properly. Treated wood shall not be shredded or chipped.
- If shredding or chipping equipment is to be used for processing the vineyard and orchard waste, the equipment shall be permitted by the District, or registered by

the California Air Resources Board or the District as Portable Equipment. Visible emissions created from the shredding or chipping equipment shall not exceed 20 percent opacity or Ringlemann 1 and any standard specified on a Permit to Operate or Portable Equipment Registration Certificate.

1-7 (con't.)

<u>Rule 4641</u> (Cutback, Slow Cure, and Emulsified Asphalt, Paving and Maintenance Operations). If asphalt paving will be used, then paving operations of this project will be subject to Rule 4641. This rule applies to the manufacture and use of cutback asphalt, slow cure asphalt and emulsified asphalt for paving and maintenance operations.

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District staff is available to meet with you to further discuss the regulatory requirements that are associated with this project. If you have any questions or require further information, please call me at (559) 230-5800 and provide the reference number at the top of this letter.

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Sincerely,

[original signed by Hector R. Guerra]

Hector R. Guerra Senior Air Quality Planner

c: file